

PRESS RELEASE

OECD WATCHDOG ADMITS CASE FILED BY INDIGENOUS ORGANIZATIONS AGAINST LOUIS DREYFUS COMPANY B.V.

In its first case to address major palm oil commodity trader, the Dutch National Contact Point for the OECD Guidelines for Multinational Enterprises offered its good offices in the complaint filed by Peruvian Indigenous Leaders against Louis Dreyfus Company B.V.

Today, following the initial assessment, the Dutch National Contact Point (NCP) for the OECD Guidelines for Multinational Enterprises found that the submission against Louis Dreyfus Company B.V. filed by Peruvian Indigenous Leaders with the support of local and international NGOs merits further consideration and offered its good offices to the parties. According to the complaint, the Dutch company is linked to palm oil suppliers in Peru that are violating Indigenous land rights under national and international law, and have been found to operate in contravention with Peruvian legislation.

This is the first time the Dutch NCP has addressed the alleged breach of OECD guidelines by a major palm oil commodity trader.

This case concerns the business relationship between Louis Dreyfus Company B.V. and one of its palm oil suppliers in Peru, the Ocho Sur Group. Ocho Sur operates on lands in the Peruvian Amazon that were unlawfully appropriated under national and international law, and are part of the ancestral territory of the Indigenous Community of Santa Clara de Uchunya and the Shipibo-Konibo people.

"The company has been contaminating and limiting the food security of the community for some time. We've been fighting this for a long time in Peru with no justice and we will continue fighting it in the Netherlands" – Graciela Reátegui, president of FECONAU.

The oil palm plantations run by Ocho Sur U and Ocho Sur P led to over 12,000 hectares of illegal deforestation in the Amazon Rainforest, 91% of it being primary forest. The oil palm plantations continue to operate to this day without environmental certifications.

After considering the case, the Dutch NCP concluded that it merits further consideration and has offered its good offices to the parties, adding that:

"dealing with this notification may contribute to achieving the Guidelines' objectives and enhancing their effectiveness in the sense that it could help clarify the responsibilities under the OECD Guidelines of a commodities trader sourcing palm oil in Peru for alleged negative impacts on human rights and the environment in their supply chain indirect suppliers."

The Dutch NCP further acknowledged that the submission contains extensive information and refers to a wide variety of reports by international organizations and NGOs concerning negative impacts on human rights and the environment related to the palm oil industry in Peru and the role of LDC as a major commodities trader sourcing palm oil.



AIDSESP
Asociación Interétnica
de Desarrollo de la
Selva Peruana



Indigenous leaders from FECONAU and AIDSESP are supported by a coalition of Peruvian and international NGOs with extensive experience in addressing unlawful deforestation and climate change issues, the rights of Indigenous peoples, and corporate accountability, namely: Forest Peoples Programme, Instituto de Defensa Legal, Instituto de Estudios Forestales y Ambientales – Kené, Environmental Investigation Agency – EIA, and the Center for Climate Crime Analysis – CCCA.

The coalition requested the NCP to address the urgent, serious and irreparable impact of corporate harm underway in the Peruvian Amazon. It also seeks to show the predominant role that Louis Dreyfus Company B.V. and other major commodity traders play in the global market of agricultural commodities in promoting real compliance with sustainability standards.

The NCP will now enquire with both parties whether they are willing to engage in a mediation process, with the aim of agreeing how the issues to be taken into consideration can be successfully addressed.

The Hague, September 4th, 2023

CONTACT DETAILS

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FURTHER INFORMATION

Initial Assessment NCP

CCCA

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